

I, Chris Atkins of Simons, Muirhead and Burton 8-9 Frith Street, London W1D 3JB, will say as follows:

I have been asked to give evidence to the Inquiry, based on my experiences surrounding the film Starsuckers, which I wrote and directed. The Inquiry has asked me a list of questions:

1. *Who you are and your career history.*
2. *What led you to decide to make Starsuckers, and what he intended the film to be about.*
3. *How you went about trying to get the information or content for the film initially, including how difficult it was to obtain information and why in your view it was difficult to obtain information (if that was the case).*
4. *What methods you eventually used (we would like you to concentrate on the false stories and the medical records sting) – explaining the steps taken and responses.*
5. *Details in particular of the medical records sting, with transcripts annexed to the statement, but the most important references being in the statement itself (such as the comments about the PCC)*
6. *What action you took prior to the film being put out for distribution (prior notification and so on)*
7. *What the response was, from the PCC, the newspapers, the Film Council and so on.*
8. *How you dealt with those responses.*
9. *In summary, what press coverage you got of the film, and what sorts of reviews the film received.*
10. *A section on what evidence/message you think the Inquiry could take from your film.*
11. *Whether you have any views on the efficacy or otherwise of the current regulatory system, based on your experiences between the press and the broadcast media (a comparative exercise with the Ofcom process he went through would be very useful).*

I'm going to cover all of this in my statement, but will structure the responses chronologically rather than the numbering of the questions.

Background

1 I've been working in the British Film Industry for about 12 years. In my 20's I Produced a series of independent feature films with the writer and director Richard Jobson: *16 Years of Alcohol* in 2002 which was nominated for 5 Independent British Film Awards and won 2; *The Purifiers* which was backed by Working Title, and was distributed in the US by NewLine; *A Woman In Winter*, which was nominated for a Scottish BAFTA. All of these were cinema films that were financed in some form by the UK Film Council. I then directed the feature documentary *Taking Liberties* about how the Blair government eroded civil liberties under the guise of the War Against Terror. It was released in cinemas in 2007 to very positive reviews, especially from the Tabloids, and went on to be one of the highest grossing theatrical documentaries of the year. It was nominated for a film BAFTA in 2008 for best first time Writer/Director and was screened on More 4 in the True Stories strand. The book of the same title sold very well and along with the film is widely used in schools and universities as a teaching aid. It is worth noting that the film ends with a passionate defence of free speech and I remain a strong supporter of a free press. I had, at that point, no negative experiences with any part of the press and had no axe to grind against the tabloids.

2 It was out of making *Taking Liberties* that we came up with the idea for Starsuckers. While we were looking at the root causes of the climate of fear that encouraged the restriction of our basic freedoms, it was clear that certain parts of the press were as culpable as the

politicians. For example, in 2006 The Sun (encouraged by the Blair Government and senior police) campaigned for laws that would restrict our ancient rights, including increasing the time police could detain before charge, to 90 days. After the Forest Gate raids in 2006 and the shooting of Charles de Menezes in 2005 the police fed inaccurate and malicious smears about innocent men to The Sun and the News of the World. What I found particularly interesting is that despite gross misreporting in several tabloids, the media as a whole was unwilling to criticise them. I also read Flat Earth News, which offered more evidence of wrongdoing in the British Media, but this had not been followed up and investigated further by the broadcast media.

3 My Producer, Christina Slater, was also doing research into how the media's use of celebrity was psychologically harmful, in particular to children, so we decided to combine these two areas into our next film which we started work on in 2007. We found getting industry backing extremely difficult, mainly because we were pitching to the very media corporations that we were intending to scrutinise in the film. In a meeting at The UK Film Council, an executive told us that she didn't like the idea of holding the media to ridicule in front of the public, and advised us not to make the film.

4 Starsuckers was made over 2 years and released in 2009, and is about 100 minutes long. It is chaptered up by looking at the different ways that media corporations use the allure of fame and the impact this has on society. The chapter that is of most relevance to the Inquiry is the section on the news media, that lasts approximately 30 minutes. However the end of the film is a critique of the Live Aid and Live 8 concerts that also may have some relevance to the reaction that the film had on release.

5 We wanted to explore how the news media, and in particular the tabloids, obtain their celebrity stories. The public have to pay for news through advertising, cover price and online subscriptions, but are largely kept in the dark about how the information is gathered and its veracity. We were struck by how rarely tabloid journalists, editors or executives went on record to discuss their work. When they did they rigidly held the corporate line that all their activities were within the law and the PCC code.

6 Researching the subject, we were told off record by working tabloid journalists that their papers routinely fabricate news and break the law to deliver scoops. We made many requests for on record interviews with people working for the tabloids and they all refused, apart from an ex journalist Emma Bussey who used to write for The People. We asked to film behind the scenes in newsrooms and were also turned down.

7 The only means left open to investigate the workings of the tabloids, where there was abundant prima facie evidence of wrongdoing, was to use subterfuge. Our investigations were planned using high ethical standards, and we made sure that any subterfuge was fully justified in the wider public interest. We were always intending that the film would one day be screened on television, so we knew we would have to meet Ofcom standards.

Paparazzi

8 The opening of the media section looks at the Paparazzi. "Paps" are very much at the blunt end of celebrity journalism and a very visual indicator as to the worth of a figure in the eyes of the media. The more paps there are chasing a certain celebrity, the more valuable they will be to the newsdesks. In early 2008, while we were filming in LA, the Britney spears situation exploded, and she had over 100 paparazzi chasing her on a daily basis.

9 Spears was clearly mentally unstable and potentially suicidal, but nonetheless all UK media outlets were buying the pictures from the very photographers who were exacerbating her health problems.

10 I approached Owen Beanie head of WENN, which was one of the main agencies pursuing Spears for pictures. WENN were supplying pictures of Spears across the UK media outlets, including broadsheets. For a fee, Beanie allowed me to accompany some of his photographers on the Spears outings. I saw repeated incidents of Paparazzi's breaking the law in order to obtain their pictures. These included life threatening dangerous driving, trespass, breaking and entering, and violence. When I attempted to film these activities I was threatened with assault. Many of the Paparazzi, some on WENN's payroll, were simply criminals who owned cameras.

11 The situation got so out of hand, that the gangs of photographers chasing Spears around LA became the story. No British media outlet could claim that they were unaware of how the pictures they were routinely buying were sourced. Beanie discussed his work in an interview (which is included on the DVD extras of the film):

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Beanie: What she [Britney Spears] actually does, makes no difference. Whether she's in hospital, and we don't get pictures of her, we sell pictures of her before she went into hospital, or she's out of hospital, goes out for dinner and gets her haircut, doesn't make a difference, as long as we're there to cover it, we make our money. They are not people to us. Let's say I've got all of my staff going on holiday, and no-one is going to be working Britney for the next week, it's in my best interests to pull Britney out of the news so that we don't loose money.

When we have cameras that take 9 pictures a second, so when someone gets out of a car and walks into a door which takes three seconds, I've already got 40 pictures. Now that's just one photographer – I have three photographers on it – 20, 30, 40 whatever – there's a shit load of pictures. For the amount of pictures you get, especially when flashes are going off, for expressions – pictures where you look good, pictures where you look bad. We can decide which ones we send out. Two or three weeks ago, when Britney went out, it was a really quiet time, she went to a supermarket – boring. But there's nice pictures and horrible pictures. We left out all the nice ones, kept all the shit ones, and said "she wants to kill herself". She was in a perfectly good mood, headline is "it would be better if I was dead" and a picture of her looking like she wants to kill herself. It's just business. From our point of view, we just want to sell the photos. From the publications point of view, they just want things that people are going to pick up and buy. And that is always going to be bad news. We are forced into giving them bad news.

13 We also started following Kevin Rush – aka Kev The Pap - who was a very interesting and intelligent character who gives an honest portrayal of the state of the paparazzi business. In an interview used in the film, Kev also admitted that his pictures had been used as the basis for misleading stories, including The People falsely accusing Pete Doherty of criminal behaviour:

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Kev: We were sitting in Dean St, Soho, having a coffee at about half 2 in the morning. Pete Doherty, Mick Wicknell and one of the other Babyshambles come walking round the corner and I spot them. At the time he was with Kate so Pete was saleable then. And there was this little beggar girl, and she started saying "I haven't seen you since Rehab." And he pulled out a folded up, you could see it was a £20 note, and then he clamped his hand around it, and he gives it to her. John [Kev's Pap Friend] captures this, I get it from the other angle going in his pocket. And in the Sunday People, the quote was "Oh dear Pete, what's the score?" and it had a blow up of his hand and her hand, and this little white end of a £20 note, which looked like a wrap [of drugs]. So it was the wrap that never was.

The film then showed a quote from "An Onlooker".

Kev: There were some quotes from somewhere. Where the quotes come from who knows? They make them up don't they.

15 We interviewed Nick Davies, who appears frequently in the film, who discusses why quotes are made up in Tabloid culture:

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The “Chum Said” quote may just be fiction. It’s just the caption writer providing a line to write about. And who knows? Who can check that? We don’t know who the “chum” is? And who cares? That’s the problem. The big corporations who have taken over the media outlets on the whole have cut editorial staffing levels, and at the same and at the same time they’ve increased our output, so you’ve got masses of extra supplements in newspapers. And that quite simply reduces the time we have to do our jobs, and if you take away time from our reporters, you are taking away their most important working asset.

Fake Stories

17 We wanted to see what effect these commercial pressures were having on the veracity of news stories. Whenever celebrity journalists had talked publicly about their work, they had insisted their work adhered to high levels of factual rigour. However we saw abundant evidence to suggest celebrity stories often get printed without being checked, and often include quotes and facts that appeared to be fabricated by the reporter or newsdesk. Celebrity stories account for an increasing proportion of content in broadsheet as well as tabloid papers. When the tabloids break a big celebrity story it is often picked up by broadsheets, the BBC and other broadcasters who in turn have no way of knowing how truthful it is. We wanted to see what effect the increase in celebrity stories was having on journalistic standards. Formal access to newsrooms had been declined, so we devised a means of testing tabloid newspapers without their knowledge.

18 We set out to feed untrue stories to tabloid newspapers to see if they would be printed without checks, and observe how the stories were relayed to the public. We created fictional celebrity stories that had no factual basis whatsoever, apart from the physical location of a celebrity at a certain time. We avoided fabricating anything malicious or defamatory to the celebrity themselves, and did not take any of the money that was offered in return for the stories. We called the numbers advertised within newspapers encouraging members of the public to call in and sell stories.

19 Researching our first story, we learned that the Canadian singer Avril Lavigne had been to the nightclub Bugalow 8. The next morning, on the 18th March 2009, our researcher Jen Richardson called The Daily Mirror newsdesk pretending to be French party girl “Gigi”, with the story that Lavigne had fallen asleep in Bungalow 8, and started snoring. Jen had spent a large amount of time (and expense) visiting celebrity nightclubs, and working on Gigi’s character, in order to make her stories convincing. From this first call it was clear that this research was redundant – the journalist at The Daily Mirror simply wrote down what Jen said, and didn’t probe further. Our fabricated story appeared in the newspaper the following day without checks. Jen was told to send in her bank details to receive the £50 payment for the story, which we did not do.

20 As the investigation continued we created more and more outlandish stories to see at what point suspicions would be raised. We went on to feed fabricated stories successfully to The Daily Star, The Daily Mirror again, The Sun and The Daily Express. As the tales became more absurd, the effect was not that they received more scrutiny, but that the payments offered increased along with the coverage.

21 The next story was about the singer Amy Winehouse: A friend had visited a party at the singer’s house the previous evening. During an impromptu jamming session several guitars and amps were plugged in, and the resulting surge in power overloaded the mains and the lights went out. In the dark, Winehouse and a guest attempted to change the fuses, but

they were both given an electric shock. Winehouse's companion was knocked out, but Winehouse herself merely twitched, and her famous hair started smouldering. Jen called this story into several tabloid newsdesks, and despite it appearing to come from a friend of the source rather than the actual witness, it appeared without checks in the Daily Mirror, and The Daily Star. The Daily Star added it's own fictional element to the story: "A Friend was called in and ended up punching Flamey Amy's head to put out the blaze."

22 The Amy Winehouse hair fire story then got picked up by other news outlets in the UK and overseas, who simply copied The Mirror's story from its website, and presented it to their readers as fact. Most notable was The Times Of India, which at the time was the widest read English speaking newspaper in the world.

21 In all, six fake celebrity stories were created and fed to the Tabloid press in a 2 week period in March 2009:

- Guy Ritchie injuring himself juggling cutlery in restaurant (Bizarre column in The Sun)
- Russell Brand admitting wanting to be a banker as a child during the G20 Protests (The Daily Express)
- Pixie Geldof confessed to padding her bra out with Sweets (The Daily Mirror)

22 Our biggest story was in The Sun, revealing that Sarah Harding from Girls Aloud was secretly a fan of Quantum Physics. It ran as a lead story in Gordon Smart's Bizarre column. Smart's article also included a fabricated quote: *"There's a lot more going on under that blonde barnet than Sarah's given credit for. She's a smart cookie and does read an awful lot."* This quote didn't come from Jen, showing that The Sun will add fictitious quotes into their articles, as well as not running basic checks. At the time, Girls Aloud appeared regularly in The Sun, so it would have taken minutes to check with the agent or PR if there was any truth to our story. The Harding physics story was then was picked up by dozens of news sites around the world. Had we claimed it, the story fee would have earned us £600 from News International.

23 All of our hoaxes were picked up by at least one national tabloid, apart from a ridiculous story about Alan Sugar. We since discovered that Sugar is extremely litigious and newspapers are extremely wary of running stories other than PR for The Apprentice.

24 We concluded from this evidence that chequebook journalism (which no other country has to this extent) is structurally designed to produce exaggerations and distortions. Celebrities are usually fairly dull people, particularly footballers and actors, who rarely do anything particularly newsworthy. Conversely the more unusual or funny the story, the valuable it becomes. Those selling celebrity stories are obviously motivated by profit rather than accuracy, and will be naturally inclined to exaggerate and distort the truth, in order to make more money from the newspaper paying them. The hyping of the stories was actively encouraged by the journalists we spoke to, who wanted to deliver a bigger and better story to their superiors. For example, The Daily Express rejected our story about Avril Lavigne falling asleep, but suggested that if we came back with a story of Lavigne smoking crack they would be more interested.

25 This points towards celebrity stories corrupting general news standards. As celebrity stories are the most commercially successful, they are continually increasing in prominence and coverage in all parts of the news media. Even the BBC News website, that does not rely on circulation or clicks for it's budget, sees fit to ape their commercial rivals in this regard.

26 The result is that the techniques involved in generating celebrity stories – fabricating facts, inventing quotes and not checking facts – are moving into other areas. Nick Jones, BBC Journalist, Broadcaster and media commentator supports this view, and in Starsuckers explains:

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Nick Jones: And this corruption of journalistic standards goes right to the top, and there's no doubt about it, the fact that the most successful editors of the newspapers have been former showbiz journalists, and their standards have corrupted in my view other parts of journalism.

28 In the film we illustrate this point by looking at the career path of journalists who cut their teeth on celebrity desks, and went on to have positions of strong influence over public life.

-Piers Morgan, who worked the showbiz desk at The Sun, and then was promoted to editor of the News Of The World when he was just 28. He then edited The Daily Mirror for a decade, a tenure ending abruptly when he staked his career on some faked photos of British Troops abusing Iraqi civilians.

-Andy Coulson was Morgan's protégé on the Bizarre column, and he went on to edit The News Of The World during the period that the rampant criminality was alleged to have taken place.

-Dominic Mohan was so successful writing celebrity stories for The Sun's Bizarre column, it pushed him up the News International career ladder, and is now the current editor of The Sun.

29 Mohan's speech to the Leveson Inquiry unintentionally reinforced this point. He claimed that The Sun's celebrity stories have the same journalistic rigour as their political stories: *"The way showbiz journalists operate is like a political journalist in the lobby."* Given that The Sun is the most widely read newspaper in Britain, and claims to be able to tilt elections, it is very troubling that their political reporting matches the standards of their celebrity reporting – where the standard practice, as we showed, included fabricating quotes and a reluctance to check facts.

Tabloid Criminality

30 Later in the media section of Starsuckers we look at the culture of criminality in tabloid newspapers. Flat Earth News provided us ample prima facie evidence that phonehacking and other illegal techniques were prevalent in many tabloid newsrooms. We talked to several journalists and ex journalists off record, who told us that the Goodman and Mulcaire convictions were just the tip of the iceberg. These sources explained that tabloid journalists, from the Sunday papers in particular, were still routinely breaking the law to get stories without any public interest. Our research also indicated that this behaviour was institutionally ingrained in tabloid culture, rather than the "rogue reporters" that newspaper editors claimed were responsible.

31 We wanted to test the Sunday Tabloids to see if their journalists were willing to break the law, and the PCC code, to obtain private information about celebrities that was not in the public interest. The scenario was constructed to present the newspapers with a situation where the only way they could try and print a story would inherently involve a breach both the PCC code and the Data Protection Act. I would pose as an intermediary who was selling the details of celebrities plastic surgery operations, but was ignorant of the rules of modern tabloid reporting. I would claim that I was the ex boyfriend of a nurse who worked in a plastic surgery clinic, who had evidence of high profile celebrities having operations. Given the intrusive nature of such stories, the newspapers would be likely to need to obtain proof that these stories were true in order to print them. Any such proof would inherently involve a breach of the Data Protection Act, which prohibits the sale of medical records. Even harvesting information to research the stories would ostensibly involve a breach of the DPA.

32 The DPA does have a general an opt out for journalists where the information is in the public interest. A recent case where the authorities said they would not prosecute due to public interest grounds was the MPs expenses. So we deliberately created stories that, while

of interest to a tabloid readership, could never be classed as being in the public interest. The PCC code also makes it clear that health issues are extremely sensitive:

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3 * Privacy

i) Everyone is entitled to respect for his or her private and family life, home, health and correspondence, including digital communications.

8.ii) The restrictions on intruding into privacy are particularly relevant to enquiries about individuals in hospitals or similar institutions.

*There may be exceptions to the clauses marked * where they can be demonstrated to be in the public interest.*

1. The public interest includes, but is not confined to: □ i) Detecting or exposing crime or serious impropriety. □ ii) Protecting public health and safety. □ iii) Preventing the public from being misled by an action or statement of an individual or organisation.

PCC Code

34 Paul Dacre – then chairman of the PCC editors committee – was explicit in a parliamentary appearance that the PCC code forbade journalists to ever touch medical records.

35

Q529 Alan Keen: Do you think the public is entitled to any privacy? You have explained one or two examples. Medical records?

Mr Dacre: Absolute privacy granted, it is part of the PCC Code. No question.

Q530 Alan Keen: Medical records?

Mr Dacre: Absolutely.

36 To initiate the investigation, on the 20th March 2009 I called the newsdesks of The Sunday Express, The News Of The World, The Sunday Mirror and The People. All these newspapers had been accused of printing stories that would breach the DPA without public interest. The first call was to The Sunday Express, and I explained the story I had to offer (which I kept the same for all the newsdesks):

37

CA: *this is quite sensitive, but a friend of mine has some information, I think quite interesting information, about a variety of well known people. She basically she works in a cosmetic surgery clinic*

Sunday Express: *Right*

CA: *And I've been on at her for years saying "look you could make a fortune out of some of the things you know" and she's been like "no no no no". She's an ex girlfriend basically, she's um - I don't know what's happened - I think she's fallen out with her boss, and she's interested. So she's asked me to sort of make some discrete enquires.*

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The person on the Sunday Express newsdesk made it clear why the PCC prevented them touching stories from such a source:

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Sunday Express: *I think we'd find it very difficult because under the Press Complaints Commission Charter you cannot go into people's health issues it would be a gross breach of ethics basically... it would be regarded as some sort of breaching their medical trust... I think you'd find that you could be taken to the court for cleaners especially since the Max Mosely case where it's you know someone having masochistic sex is protected... from our point of view there would be three really difficult*

areas: a privacy side of it there's the privacy side with the fact that it's a health issue which makes it even more private and then from her point of view I think it would be regarded as sort of a breach of confidentiality as well. I think you'll find it a very difficult thing to get a newspaper interested in. I mean there might be others who have got a different view on it but I just think from our point of view it would be a legal minefield.

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I then called the newsdesks of the other three Sunday tabloids on our list with the same cover story. They all seemed interested in the information, and requested meetings. I attach a fuller transcript of the telephone calls as an annexe.

41

Nick Owens, Sunday Mirror: *To be honest with you it's extremely sensitive in the case of that patient confidentiality thing, but you know if you want to set up a relationship with a journalist to start feeding information through then that's absolutely fine.*

42

Sarah Jellema, The People: *We're definitely interested in these sorts of stories. Obviously we've got to be very careful with you know there's a new wave of privacy laws but you know lots of people in the public eye are quite open about the work that they've had done, and you know stuff we can elaborate on and it does depend entirely on who the individuals are and how high profile.*

43

Sara Nuwar, News Of The World: *It sounds like definitely something that's worth meeting up to speak to you about ... and we can look at ways of doing it because obviously if you're ex girlfriend is worried about losing her job and everything there's other issues that come into play there about how we'd be able to present it.*

44

I arranged to meet all three of the interested journalists on the 26th March 2009. Given their statements over the phone, we were advised that we were justified in secretly filming the meetings. We were investigating the journalists in their place of work and not focusing on their private lives. All the journalists worked for newspapers that demanded high moral and ethical standards in all professions, and regularly used undercover recording to expose perceived wrongdoing.

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The first meeting was with Nick Owens from the Sunday Mirror. A wider selection of his transcript is attached as an annexe at the request of the Inquiry.

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NO: *I think the best thing is for you to give me some information about what you have got- and we can see on the basis of that. I'll let you have a confidentiality agreement. I'll go back to them and see what we can do with the information and how much it's worth. I'm normally able to give you quite a good idea because I work on the newsdesk as well. And I have the eye and the ear of the news editor and editor as well. Which is quite handy.*

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CA *Because for me -you know what I do- I am a salesman-its now-you know- a problem for me if someone said 'oh it was him that sold that story'- I would not want that to happen, I don't want that to happen, it's not going to happen. That wouldn't fuck me up with my job-but for her it's her whole life-you know what I mean.*

NO *I understand that. I cover a lot of health stories, and I work with a lot of health professionals. You know I work with people in that area as well.*

CA Really?

NO Yeah I do. So, I understand that issue.

48

NO Let's give you an example right. You take Fern Britain. She's on the front of the papers, she had a gastric band- that was a big story- not only because if was Fern Britain had a gastric band and everyone was amazed by her weight loss but it was a big story because she had said in public many times that she had got a huge keep fit regime, and all that shit, turned out to be wrong.... there's a public interest in reporting that story-what there probably isn't a public interest in doing is just reporting that someone had a gastric band operation, unless they are a massively big name then you might make a decision.

49

NO That is why it is quite important to get an idea of who we are looking at- we have celebrities obviously at the top of the list

CA People you like to write about-people who sell

NO Yeah-same thing. They are going to be at the top of the list and we are interested in and if they are the kind of guys who you have access to... can get information on, then there's a chance- it is always up to the editor-put it in front of the editor, and say "look we've been given this bit of information about this person- it's going to cost this amount of money if we want to run the story, what do you reckon." she will make the call-she will make the decision.

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N If someone has had that operation- and it is true-correct and you go to them... the problem you can have-you always have- you can come to me and say Fern Britain has had a gastric band and we go to Fern Briatin and she says "no I haven't" and her agents says "no she hasn't" we are in a difficult spot then-because it is a flat denial- and it can happen-often they lie- but then you are faced with the situation whereby we might say to you guys- look we are not going to use this information-but can you give us anything else other than just your word? Is there a document somewhere- a piece of paper- is there an email-something that would prove she had it..

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CA I was just thinking this through -you know-in terms of our work- we're going to come to you and say XY and Z- what would you need to substantiate it? I mean I could just be anyone... sorry.

N Yeah you could be exactly. Substantiate it... I guess. Difficult isn't it, I have never had any cosmetic surgery-but I suspect there is a record in the clinic of that surgery taking place. it is not like the NHS obviously where you phone up and they tell you about an operation that's happened on such a date as it's private. What we would not want to do is to contact the clinic at all-as if we contact the clinic it also suggests we also know where it happened and that might be quite worrying for you guys

C Yeah yeah

N So we would not be able to contact the clinic-but what we would do-if we were to get a denial from the agent, then we would come back to you and say is there any more information that you can give us, and if you can, say you could give us some kind of confirmation that that treatment was taking place- your friend will probably know more about this sort of thing than us

C She works in the admin section-

N So there is going to be a document

52

N But, the way round it is to say to your friend-look this is how it works-look she won't know how it works

C No, she hasn't a clue that's why she has come to me

N Exactly so, hey look. It is not just a case of you saying that this person has had X surgery- there could be a situation whereby we'll need... perhaps you have to produce something-have you got anything available now. Do it in one? that is the way round it.

53

I then gave him several fabricated operations of real celebrities:

CA Well- one of Girls Aloud

NO One of?

CA One of-boob job, consultation

NO Oh really- OK- that's good

CA Mr Hugh Grant-had a bit of a face tuck- that's happened a while ago

NO Face tuck?

CA yeah

NO that's OK

CA Rhys Ifans- tummy

NO Oh really- Rhys? Tummy tuck

CA yeah, again don't know how long that was

NO He's not going back for more?

CA I don't know- I don't know

NO OK

CA I don't even know what this is - but Guy Ritchie – apparently- chemical peel

54

CA this is the one which is literally quite recent is Gemma Arterton... a gastric

NO That's surprising isn't it?

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NO Girls aloud is potential... very very good story. Depends who it is. If it's Cheryl then it is massive- with Cheryl you can expect a big pay, that makes it less dodgy for your source. It's almost worth the wait, till she had it done... Have they had it done or it is just a consultation?

CA No – consultation.

NO are we talking about Cheryl

CA No

NO Not a problem-

CA Nicola

NO Nicola- that is still a good story. That is the best one. And Gemma-the other three are like maybes,

56

NO I think Rhys is funny- cos, you know Rhys Ifans wanting a tummy tuck is a very funny story-but then again- is it justified in the public interest? That's the problem. We could get away with Gemma - that's massive. good story that... because as you see she does not need one. You have got to ask yourself why? Why is she bothering? That age as well. So that's all great

CA what sort of figure, this would never be... but so I've got a ball park-

NO Think you are looking to get over three grand minimum-that is a start. How it works is right, page lead in the paper is a grand-but the further it gets to the front of the paper- the more it is. Get a spread-well you won't get a spread out of this as it's one fact. that is the problem-unless you get some kind of... Fern made a spread cos of the issues surrounding her. This one is "Nicola's got a boob job" it is a one fact story... there's no getting around it. As a journalist you write that story up, there's almost a point where you put a full stop and you've finished the story. Then you have to write round it.

CA just rehash old stuff?

NO Yeah you have to.

57

NO [about Rhys Ifans] having a tummy tuck to get rid of his beer belly isn't it? It's a fucking good story that-but out of all of them you could do Rhys- if you wanted to do one you could probably do Rhys Sunday.

58

NO If it's a boob job then that goes without saying- if you say to me that she [Nicola] has had a boob job in May- and we know about it and then we put pictures on her very early on- and we would be the first paper to fucking run that story- do the before and after pictures. Because what you do with boob job stories is "has she or hasn't she had a boob job?" And we know she has, which means I can write it quite strong. With Gemma Arterton it is slightly more tricky cos it's a consultation for a gastric band and obviously it goes without saying you can't see it. Cos then we do have to go to her- with her we might need some documents, we need to know when it happened.

59

N Having a tummy tuck to get rid of his [Rhys Ifans] beer belly isn't it? It's a fucking good story that-but out of all of them you could do Rhys- if you wanted to do one you could probably do Rhys Sunday, but we're not gonna do that. But looking at it, Rhys you could probably get away with because it's so funny. The other two you have got to wait-Gemma and Nicola you have got to wait-

C Yes but which ones would she need to

N I don't think we would need anything more on Nicola because it would be there- in plain view for all to see

C But what if... we don't want to be in a situation where they deny it- and they come back to us and say I need something tomorrow, or it's dead, do you know what I mean?

N Yes the thing is-with that she'll need-in my opinion is that with an operation like that- it is quite a big operation-they will normally need a couple of weeks off- so it will come when there's a gap in their thing - we'll be able to work it out- no one has seen them for a few weeks- where has she been? I think we will be fine on that- I mean I think we will be all right- and obviously if it looks like she has got bigger tits we can easily say she has had a boob job and we will be all right. Gemma Arterton we'll need if possible some documentation. The thing to say to your friend is "what can you get?" Because the more the better really. If she can't get anything then fine.

C She is an administrative nurse, that's the thing, so she probably can

N If she can, yeah get a document on everything.

60

In summary, Owens, acting under guidance from The Sunday Mirror newsdesk, was looking to pay us £3000 a story in return for wholesale mining of as many medical records as possible from our clinic. He explained how the public interest requirement is set aside by editors if the celebrity is big enough or the story is funny. He also explained that in some cases they will write a "have they haven't they?" article about the operations in order to shield that the source involves a breach of the DPA. Owens also hinted that he has been involved in similar health stories in the past.

61

Owens called several times following the meeting, leaving messages pushing to run the stories.

62

The next meeting, on the same day, was with Sara Nuwar from The News Of The World. The following are excerpts from her meeting.

63

Sara: Anything medical these days you just have to steer clear of but it all depends because there could be public interest or at least there could be other reasons for doing it.

64

Sara: Which is kind of bizarre because in a way someone having elective surgery it should be different from if someone has a serious medical condition which obviously we just wouldn't stray into but it's kind of a grey area but er definitely just the best way is to see story by story piece by piece how we could do it and if the lawyers are happy clearing it...

65

Sara: we deal with so many different topics where we protect our sources for that very reason and we have to obviously have proof of what the story is and proof that the facts are facts and then as long as we're happy with that we don't

Chris: When you say proof what would you?

Sara: It kind of depends what the stories are and how... what legal... all the guidance comes from our legal department so it's kind of on a story by story basis and there might be obvious proof or there might be a certain celebrity that is really anti the media and anti the press and they might have quite a strong backlash so we might have to take

Chris: There of course I've seen the papers and I've seen that you guys are right at the cutting edge

Sara: But really if someone's gone on record that they've never had it done and that they've done this amazing beauty treatment and their making money out of something that's not

Chris: So did you guys see the Fern Britten story

Sara: Yeah we ran that

Chris: You ran that? Cause presumably, cos I was looking at that last night, because she had said, beforehand, she'd said that there was this amazing diet or something

Sara: Yeah she'd put it all down to diet so we basically we had to go through that very much so taking it to be if she complains about this how can we say... At the end of the day if someone's selling health products like Ryvita and saying I've done this amazing exercise

66

Chris: I don't really watch the television because it's all crap and no offence I don't really read the newspapers so she was saying some names and I was like I don't know are they famous

Sara: You do get really attuned to names like even that I deal with in my newspaper life and I speak to friends and they're like "who?" And you go their this person and they're like "Oh yeah." Even they don't... But there are certain celebrities that newspapers just love.

Chris: If you could just give me that as well. Cause then I could say look, these are the...

Sara: Any Hollywood stars, any tv stars you know anything like eastenders an coronation street. Anything like that we'll. They are the key people we deal with week in week out.

Sara: We'll take the facts and we'll have to build on them so we can't really go any further without your help

Chris: I assumed as much. So, one of The Girls Aloud has been in for a consultation for a boob job

67

I went on to list the same celebrities having fictitious plastic surgery operations as with the conversation with Nick Owens.

Sara: But that's something we can talk to you about when it's being done, and then the kind of proof that we'd need I'd obviously have to speak to the lawyers to see what we'd need to get

Chris: But you'd need something?

Sara: Yeah we'd need something.

68

Sara: You could get a decent payment out of that and also it's the kind of story that just runs and runs and that one did it was picked up everywhere then we revisited it again. Especially when someone denies it and then someone comes out and says it's true it takes on a life of its own then

Chris: A feeding frenzy yeah

Sara: So yeah that can always make the fee greater but I think we can say in the region of 10

Chris: In the region of 10. It's just so we can

Sarah: Maybe we could be looking at 20 to 30 for a front page or you could be looking at a staggered... if the story's strong enough you could carry a couple of weeks you could be looking at 60-80. It just depends

69

Sara: well it's good to get the background. I'll take those titbits back and just run them past the legal guys and just see. I mean the one that I just don't think we'd touch is Hugh Grant I just think he's so hyper sensitive about his own public image

Chris: Yeah

Sara: With the others, maybe there's more leeway

70

While Nuwar was much more cautious than Nick Owens, she was asking us to verbally impart large amounts of private medical information to her, so that she can then distribute it to numerous colleagues at News International. They would then discuss and retain this information and judge what should be published. Were this information true, it would involve a breach of the DPA, even if it were not published, and that breach of the DPA would have no public interest defence. Nuwar claims that they would only print stories in the public interest. In our view, the public interest could never justify private medical records of celebrities having plastic surgery. The public interest would only excuse buying health records of, say, a politician who had a serious illness that prevented them doing their job, that they were hiding from the public. Nuwar also said that there was "leeway" with some of the stories, especially if they involved very big names, and that it was a "grey area", both indicate she is at best confused with the PCC and DPA rules.

71

The third and final meeting that day was with Sarah Jellema from The People. A wider selection of her transcript is attached as an annexe at the request of the Inquiry.

72

SJP Well obviously it's very legally dodgy, a lot of it Heather Mills recently sued The Sunday Mirror as they accused her of having a boob job. We've been told that story as well and I think it's true actually... but she's a very litigious celebrity anyway... erm ..so a lot of the stuff we might not be able to use but there's sort of ...I was battling round with my news editor who spoke to you before – Tom

CA Yep yep

SJP Sort of ideas about how you might do it - ideas of maybe a spread of silhouettes of people hinting who might have done it.... Or with some celebrities you might be able to get an agent to say 'Yes it might boost her appeal or something '

CA Something to get their name in the papers?

SJP Yeah if it's going to be –really obvious. But if it's someone like Heather Mills who would rather die than have people know they've had work done, rather than eating healthily. So it would all depend, I mean, if you saw the Fern Britton story, you can just expose people like that. it really does depend on the people, what they've had done, and what the lawyers say. Obviously as well, the first thing we want to know is what back up we have.

73

SJP ... it will be something written or whatever. Just something for the file. I'll find out on that sort of basis

CA Yeah

SJP I'm sure they'll want something ... I'm not sure what exactly

CA Some kind of documentary proof, yeah?

SJP Yes.

74

SJP Yeah I mean again if it was a splash story you might get £10 grand – if it was a spread it would be near the front of the book it might be £20 000 – it really does depend. If it's just occasional little tips you want to do in standard side columns then it's £100 to £200 or something like that. If you want to do a mixture ... whatever works best for you really

CA Yeah yeah - so if fewer and bigger in a sense I think that's – like because each one is gonna be a ball-ache – just holding her hand and going 'I don't know why I'm doing it' – 'Yeah - here's the money' – so

SJP Like you say you've spoken to her about it before and she was a bit ... and could quite easily go ...

CA Absolutely – and she, to be honest with you, she may well – so don't get your hopes up too much – I might come back to her and say it's time to step up and do this and she might go 'Err ...' God, you know what it's like so...

SJP What I want to make her feel is as secure as possible ... that's the thing again because people think it's sometimes hard to move to - I don't like saying - a lesser paper but you know what I mean - but a smaller kind of paper. Because they really want to hold on to their contacts so they will move heaven and earth to make sure that that contact is happy – and, you know, to go through all these motions - whereas I heard of someone who was involved in heather mills come to me after she'd dealt with The Sun I think it was, and they turned round to her... she'd been doing stories and it got to the point that they wanted a document she couldn't get...

CA Yeah

SJP And they turned round to her if you don't get it we'll speak to her lawyers and tell them she'd been doing the stories

CA No ...

SJP ... and she freaked out understandably just because she wouldn't get them

CA ... this thing that they suddenly decided that they wanted

SJP She was terrified and actually I'd heard about it through other people - apparently she was a really good contact great value. She was petrified.

75

I then gave Sarah the same list of operations as I gave the other journalists. I refused to say which member of Girls Aloud was having consultations for breast enlargements.

SJP even if it wasn't Cheryl you could do a teaser on the front and people wouldn't know until they got inside

CA So you wouldn't even put the name on the front you'd go 'Girls Aloud'?

SJP It would depend. If it was her...

CA She'd be front

SJP But if it wasn't they'd do a teaser, and everyone would be like "ooh is it Cheryl?" And even if it's not, they're all attractive girls

76

SJP *Guy Ritchie and stuff... maybe not if it's not that drastic then... maybe not him (points to celeb) he's not that litigious. He seems to just let the media run its course. I don't know how Rhys Ifans reacts to stuff. Again it will be how much we can get out of the story in terms of... obviously and we'd need all of the nitty gritty we could get*

CA *Yeah*

SJP *And back up documents if they were available.*

77

SJP *I spoke to them before I came down and they wanted names... I know when we tried with the Heather Mills story when we knew what was going on, I know that what they wanted to do then was get them pictures and just something that could reliably prove that she was no longer 'natural' shall we say*

CA *I don't think that woman has ever been natural but there's*

SJP *Em ...*

CA *But they wanted their own snaps – or something ...yeah yeah ..ok .. I don't ..*

SJP *Again with her they were very very careful. and I think because of her now it ended up with her suing them or whether she just put in a PCC for a complaint for a breach of privacy*

CA *Right right right*

SJP *Which – getting a PCC isn't great, but a lot of papers just kind of brush it aside – all it is a little apology, somewhere in the paper – you get a slap on the wrists if you get reported by the PCC, but there's no money*

CA *Oh really?*

SJP *Yep – it's a really odd situation*

CA *So it's a slap on the wrist*

SJP *And the PCC is run by the newspaper editors*

CA *Really?*

SJP *Yes – it's a self-regulating...*

CA *Right of course – yeah I remember reading about this*

SJP *It's really odd. And that's why a lot of people are saying it's not enough now to have that but while that's still there...*

CA *So it – even if something is shown to be kind of wrong in the way you got the information and all that – it goes to the PCC – little apology slap on the wrist –*

SJP *Yeah*

CA *We've still got our money you've got your circulation*

SJP *Yes..... so they will tend to take more risks if they think a PCC will be involved*

78

Jellema had been told by her news editor Tom Carling to harvest as much private medical information as possible. She indicated that they would need some form of documentation to corroborate any story. She outlined how they would overcome public interest issues if it was a big enough name or if the celebrities were not litigious. She also explained how they could mask the source to avoid revealing that the source was inside the clinic. Her comments on the about how the PCC is viewed amount working tabloid journalists speak for themselves.

79

The following week Jellema called me and left a voicemail. The message said that they were very keen to do the stories. She had consulted with her newsdesk and legal team and they had

asked her to ask us to provide a copy of the appointments book of the surgery, or similar, to prove that the celebrities had been in and what they were in for. This would of course had been a clear breach of the DPA, without public interest, and sanctioned by her superiors.

80

A later scene in the film on this topic looked at how “Kiss And Tell” stories are often engineered by tabloid newsdesks. We looked at the case study of “Amy” who was encouraged by The People to sleep with certain celebrities in return for payment. This was while Amy was addicted to cocaine and alcohol, and Amy claims that The People editors used her addiction to manipulate her into sleeping with particular celebrities in return for money to feed her habits. In an interview used in the film Dave Read, who represents minor celebrities as well as “Kiss and Tell Girls”, called this side of the tabloid industry “21st Century Prostitution.”

Public Relations

81 Many contributors we interviewed for the film were of the view that PR has become the unseen hand behind many of the problems with the news media. Nick Davies pointed out that there are more people working in PR than journalists, and a study by Aberystwyth University showed that over half of national news is directly sourced from PR material. Given that the Inquiry is investigating the problems with the British news industry, it cannot avoid looking at the influence and control of PR. All news organisations are now too willing to bend to the will of PR, which is to the detriment of their readers and viewers. News outlets present their news as neutral and objective, but do not declare it when the news agenda has been influenced by hidden interests. The result is often a mass deception of the public.

82

The negative effects of PR are twofold: firstly the phenomenon of press releases being regurgitated as news, which has become known as Churnalism (a term coined in Nick Davies in *Flat Earth News*) I did do a separate project on Churnalism after Starsuckers which I will come to later. The second harmful effect of PR that we did investigate in Starsuckers, was how some powerful PR consultants and companies are able to effectively censor negative stories about their clients, and how the news industry was wilfully complicit in this activity.

83

This often involves the PR agency suppressing stories by offering the news outlets a different story instead. All news outlets are guilty of participating with this bartering. PRs also threaten news outlets with restricting access to clients in order to generate favourable coverage, and journalists frequently acquiesce, but rarely declare the arrangement. The PR consultant who claims to have suppressed and controlled more stories than any other is Max Clifford. Clifford operates in a unique sphere in the British Media. His extensive client list means he has the power to shut down negative stories about his clients by threatening to remove access to his other clients. The news media to a very large extent simply go along with this arrangement, and over the decades his influence and power has increased. It is widely known that he was able to present an image of Kerry Katona as a clean living person of good character and a positive role model for young people, despite her having serious drug problems. For a number of years this fiction was maintained by the mainstream news, as no-one wanted to upset Clifford, and Katona was able to secure lucrative advertising contracts. Eventually The News Of The World ran negative stories about Katona, resulting in Clifford refusing to supply them with stories as punishment, and a warning to others to fall in line. Piers Morgan, while talking of his editorship of the Daily Mirror said: “*I don't think it was morally wrong that he [Clifford] often controlled my agenda.*”

84

Clifford also uses the broadcast media extensively to market his own services to the public. He routinely goes onto television to comment on the media, celebrity, or anything else. This coverage presents an image of him to the public as an honest “man of the people”, which means that the public often call him first when they have a story to sell. He often appears on the BBC, Sky and other channels discussing cases where he has an active financial interest, which is frequently not declared.

85

From researching Clifford we found more evidence that suggested a hypocritical stance. He claims to have been instrumental in bringing down the Conservative Government in the 90's through a series of Kiss And Tell stories on Tory MPs. Some of these involved fabricated details, for example David Mellor having sex wearing a Chelsea shirt. In his book, Clifford admits protecting a senior minister in the New Labour government who had been having an affair, as Clifford shared their political views. This hold over a senior member of government enabled Clifford to become involved with the “bartering” of the story about the baby of the then Prime Minister Tony Blair.

86

Research showed that there had been very little scrutiny of Clifford's methods within the media. Contributors suggested that this was because Clifford had such influence over the news industry that it was reluctant to take him on. We spoke to a journalist from a broadsheet newspaper, who once declined to interview someone after it was discovered that they were represented by Clifford. The journalist did not trust the veracity of the story due to Clifford's involvement. The next day the reporter got an irate call from their editor, who had received a complaint from Clifford. The editor ordered the reporter to run the story as per Clifford's wishes, and apologise to him. Clifford's own book gives ample evidence of his ability to force newspapers to print what he wishes, and to censor certain stories. We were warned by many people not to investigate Clifford as there would be very serious repercussions.

87

It became clear that the honest “man of the people” image, which he regularly presented to the public for financial gain, was at odds with his activities. It was also clear that he had amassed unparalleled influence over the British Media and that his methods required investigation.

88

We approached Clifford in 2007 to discuss appearing in the film. In this initial meeting he made some very startling announcements about stories that he had suppressed on behalf of politicians. We asked Max if he would repeat these claims on camera, and he refused, showing that he would say one thing on camera and another off.

89

We arranged to interview Clifford in August 2008. We filmed a formal interview with him for approximately 1 hour, during which he made all the usual statements that he makes in his on the record interviews. When I made it clear to him that the interview was over, I continued to film him on undercover camera which I was wearing. This was justified in the public interest to expose his business methods to the public. The following is excerpts from this secretly filmed recording:

90

MC: I mean, it's like a game of chess and every game is different. And from that point of view, I mean, mostly on the PR front, because I know this is all about stories, but literally it is five per cent of what I do.

CA: Yeah yeah.

MC: And the bulk of it is creating images all around the world which is happening to stop stuff which is damaging. I mean we've got, one of our clients is Britain's biggest concrete manufacturers, and what we're doing is a lot lobbying and proving that steel barriers aren't anything like as effective as concrete barriers. Lorries will go over them and into oncoming traffic.

CA: But to you that that can't be as much fun as footballers into S&M and Chelsea shirts.

MC: But it is, it's the whole wide variation of it.

CA: Ok.

MC: And you know, that's what makes it fun.

CA: But, but...

CA: So you think one pays off the other?

MC: No... in that situation, you know – if he's groping 17 year olds that are quite willing because they're being paid a lot of money, fine.

CA: That's ok?

MC: If they're unhappy because they're whatever – no. But there's an awful lot of young ladies that are extremely happy to pamper up to rich old, randy old ..

CA: Even seventeen year olds? Or...

MC: Yeah. Oh god yeah.

CA: No no no, I know they're happy to, but is that morally...

MC: They're looking for it. Going looking for it.

CA: I still think that's a bit ... at seventeen ... a bit morally questionable.

MC: What do you mean? Should they be doing it? Or course they shouldn't be doing it. But it happens.

CA: Yeah.

MC: The fact – what I'm saying is, ok, they couldn't sell their story because they couldn't prove it. Financially they get well looked after, you know, and if they don't, if they're not looking for it, it doesn't happen. But you can make other things happen. You know, kids that get operations that couldn't. People who get work. And when it happens to you, and it's your little boy that's dying, and you've got nowhere to go, then maybe you'll think him groping a 17 year old wasn't too bad.

CA: I can see some kind of logic there, but... maybe it's better that he didn't...

MC: It's only when you're in, you know, your theories... when you're there, you're not...

Rightly or wrongly, yes or no, no, I won't let this man save my little boy's life because he's groped a seventeen year old. That's disgusting. I'll let my boy die. That's ok. You might not say that, you might not say that.

CA: Yeah, ok.

MC: I'll look at it and I'll go, ok, what they did, in this circumstance, yeah?

CA: Yeah.

MC: You know, would I be happy about it if it was my daughter? No, I'd go round and knock his head off. But that's a different matter.

CA: Yeah.

MC: That's my way of doing it, if you see what I'm saying. I'm looking at it and thinking, Ok, in that situation, was it acceptable? These two girls were seventeen and at college, and they knew full well that when he offered them a job as a buyer, that that was what was involved. And they talked it over with their mums, and they went and they did what they did. To me – no problems.

MC: No, that's black and white. No, it's far more complicated than that. It's not me – ok, I'll say you do that – no. It's far more complicated. It's gone on for 15 years. But in his instance, the pluses far outweigh the minuses. Seventeen year olds are few and far between, they're mostly girls in their mid twenties that are desperately trying to get on the bank balance and the pay roll. Fine. You can call them prostitutes, you can call them what you want, but there's an awful lot of them.

91

CA: Maybe I should hire you, Max. What's the going rate for, er...

MC: We start at twenty grand a month, so...

CA: Is that the minimum? What if – if I gave you twenty grand, hypothetically, what would you...

MC: You wouldn't get me for a month, we only work on a minimum of six months.

CA: A minimum of six months.

MC: Ok, Simon Cowell has paid me a quarter of a million pounds for the last seven years.

CA: Per year

MC: Plus bonuses, yeah. But he's made 150 million in the last seven years.

VH: Fair trade off isn't it.

MC: And I know the contribution I made in introductions, Rupert Murdoch, this, that, whatever whatever. So that's what you're going to pay me for.

92

MC: You know, we could make a sensational programme -

VH: Yeah.

MC: - Just on ten per cent of the things I've stopped. Y I'm sure people would like to see that.

VH: You allude to so many great stories in your book.

MC: The ones I've stopped.

CA: That can't be true.

MC: They're the ones I've stopped. Dozens of them like that I've stopped. Because of the madams, the people, the individuals ... Now, you can make a series on sex, it'd be the biggest series in the world.

CA: I'd watch it.

93

Elements of the British press have colluded to keep a story of public interest out of the media at Clifford's behest. This shows the lengths Clifford will go to protect his clients, the behaviour of which he would expose in others were he to financially benefit from it. This shows that the honest "man of the people" image Clifford presents to the public for financial gain is false, and that he will say one thing in private and another in public. Yet Clifford has been allowed to operate this way for years unchallenged by the press, as the press at large has an overwhelming financial interest in keeping relations with him favourable.

94

Clifford has ended many careers, including those of politicians, by exposing details of their private lives through a willing tabloid press. However, for a fee, he uses his control of the British media to censor similar stories to suit his financial interests. We have spoken to other journalists to whom Clifford has boasted of having a compromising tape of which he has referred to as "his pension". This implies that Clifford has potential blackmail material on

95

Clifford's behaviour matters as it shows a large section of the British media has given him the power to dictate their agenda. Our secretly filmed meeting with Clifford shows that his professional behaviour can be deceptive, hypocritical and immoral, but he is given huge power and deference by the news outlets, simply because he controls access to lots of sought after clients. As Clifford explained, he was integral to the success of the most successful person in the British Entertainment Industry, Simon Cowell. Holding the keys of access to the Cowell machine alone, gives Clifford vast power to shut down stories that he does not wish to appear. This is a power that we do not allow our elected politicians as it is profoundly undemocratic. Yet the unregulated British media has allowed Clifford, and others in the PR industry, to accumulate such huge power without responsibility.

Releasing The Film

96 Having shot and edited the film we made plans to release it theatrically in cinemas in the UK. We approached the London Film Festival who offered us a prime slot for the World Premiere of the film in October 2009. The Guardian offered us favourable coverage in return for the exclusive stories in the film: two front pages on consecutive days to cover the fake celebrity stories and the medical records investigation. I approached the independent cinemas who had successfully exhibited Taking Liberties. Two key chains – Curzon Group and City Screen - both agreed to show it. Every British film distributor turned us down, for pretty much the same reasons that we were turned down at the outset – namely that they could not put their name to a film that was attacking so many powerful media players. We approached the BBC who initially expressed strong interest in acquiring the TV rights for the film. This interest evaporated when they viewed the film, ending with the section that criticises the Live 8 concerts and how they were broadcast by the BBC. The film looks at the BBC's decision to commission documentaries about Live 8, that were presented to the viewers as impartial, and concluded that the concerts were an overwhelming success. Starsuckers revealed how these programs were made by Brook Lapping, which is owned by Bob Geldof's company Ten Alps. However no mention of Geldof's connection was made in these programs. We were told that this criticism was the reason for the BBC rejecting the film.

97

Our only route available to present the film to the public was via a limited theatrical release ourselves. The Curzon and City Screen said they would exhibit the film in cinemas without a distributor. We applied for distribution funds from the UK Film Council Prints and Advertising Fund. We were told that we wouldn't qualify for meaningful distribution funds as they had a policy of not supporting low budget independent British commercial films. We were told we would only be eligible for the fast track distribution grant. This was for a sum of £5,000 - which is a drop in the ocean of film distribution costs (we would be going up against Hollywood films in the cinema who spend millions on their advertising). Given our complete lack of backers, we applied for this grant. The Film Council had said publicly many times that every British film that was released in the cinema would be awarded this grant. We budgeted our scant releasing costs according.

98

The London Film Festival scheduled the premiere of the film for the 28th October 2009, and the film was booked into a number of Independent cinemas in the UK from the 30th. The Guardian very kindly started to run their coverage on the film two weeks beforehand. As part of that process The Guardian contacted the Tabloid newspapers involved in the fake celebrity stories and the medical records investigations, and asked them for comment. The Sun, The Daily Mirror, The Daily Star and the Daily Express all refused to comment on the fake celebrity stories. The Sunday Mirror and The People refused to comment on the medical records investigations. The News Of the World gave the Guardian the following statement (which we also edited into the closing credits of the film)

99

"Our reporter made clear throughout her discussions with Atkins that any story would have to be justified by a public interest. As it was not in this case, we did not pursue the matter and no information was purchased or story published. We are confident our reporter followed the correct procedure and abided by the PCC code of practice."

100

On the 15th October 2009 the Guardian ran an article on their front page that we had been selling fake celebrity stories to the Tabloids. The following day they ran the results of our medical records investigation.

101

BBC radio covered the fake stories extensively – I spent the best part of the day at various parts of the BBC and prominent pieces were run on all the national and regional stations. ITV News at 10 ran it as a 4 minute "And finally..." piece on the evening national news. The BBC and ITN asked the newspapers for comment and they all declined. Max Clifford however took the opportunity to appear as a pundit for ITN, unaware that the film he was helping to promote included a section that investigated him (his involvement was still secret at this stage) Several tabloid journalists attempted to doorstep me, but for some reason they went to the wrong house, proving yet again that tabloid journalists don't check their facts. Both myself, and the PR company we had hired to manage media enquiries, received several unpleasant phone calls from people we assumed were tabloid journalists, but could have just been cranks. I've since learned from Richard Peppiatt that The Daily Star compiled a dossier on my private life, including details of my schooling and my parents.

102

Apart from a column by Sarah Sands in the Evening Standard, no other British Newspaper mentioned the fake stories. The medical records investigation received no follow up coverage in any part of the British media.

103

The international coverage was extraordinary, assisted by the fact that George Clooney and Kevin Spacey discussed the film at a press conference for the LFF. It was covered in national newspapers and national TV news from all over Europe, Canada, The US and the South America. The reaction from foreign journalists was shock that the UK press (which they had assumed had the highest standards in the world) had been shown to have such lax fact checking a scant regard for the law. As a consequence several European newspapers stopped printing stories sourced from UK tabloids.

104

Immediately after the medical records story broke, we were told from various sources that the News Of The World were furious that we had invaded the privacy of their journalist, and were considering legal action.

105

On Monday 19th October, nine days before the first public screening, in house lawyers at the News Of The World contacted our Lawyers at Simons Muirhead & Burton and claim that their journalist Sara Nuwar had been libeled in the film. This was an interesting development, not least because their head of department Tom Crone had given the impression before parliament that News International would not use libel laws against other journalists:

106

Janet Anderson: When it comes to use of the libel law, we took evidence from Professor Greenslade, and he told us there are plenty of examples in which journalists are prime users of the libel law they affect to dislike. Have you or your paper ever issued a libel action to prevent another party publishing information about you?

Mr Myler: I am not aware of one. I will check but I do not believe we have.

Janet Anderson: Have you ever threatened anyone with libel action?

Mr Crone: No. I have been in this job for 29 years four months and about 28 days and no, never - not that I can recall. (DCMS committee on press standards 5th May 2009)

107

Mr Crone's legal team demanded to come and see the whole of Starsuckers prior to any public screenings. We pointed out that the NOTW have never given copy approval to the subjects of any of their investigations. We denied their request and issued a firm rebuttal.

108

The next day, Tuesday 20th October, Farrer & Co (who at the time were also acting for the NOTW) contacted SMAB stating that they act on behalf of Sarah Nuwar. Farrers also demanded to view the film in full ahead of any public screenings, with a copy being made available to the NOTW legal team. They also demanded *"a full and unedited copy of the entirety of Mr Atkins' recorded conversations both over the telephone and in person."* As the NOTW knew full well privileged journalistic material, and the NOTW would never hand over their journalists notes simply because someone has asked them.

109

Farrers added in an email that they *"would therefore urge your clients to remove Ms Nuwar from the film altogether to avoid libelling her... before the film is screened"*. We issued a firm rebuttal to the Farrers letter, explaining we would not be editing our film at the behest of News International or their employees.

110

At this time our Errors And Omissions Insurance Underwriter, who had previously watched the film and agreed cover, reversed this decision and refused legal insurance for the film. It was explained that myself and the Producers would be responsible for all costs incurred with the NOTW legal action, which if it went to court would run into hundreds of thousands of pounds. As the company producing and releasing the film had no assets other than the film, our houses would all be at risk.

111

At the same time the Film Council notified us that, unlike every single other British film to be theatrically released that and every year, we would not be receiving the £5000 fast track distribution grant. The decision was made personally by Peter Buckingham, head of the P&A fund. He had decided, for this film only, that the legal risk to the Film Council was so great that they could not be associated with this film, despite the fact that the distribution contract clearly abdicates them of any such liabilities. We asked to see the legal advice that he was relying on for this decision, but we were refused. We asked them what set our film aside from the many other controversial films that Buckingham had supported, that had also run the risk of litigation (for example *"The Yes Men Fix The World"*, *"Black Gold"* and *"SuperSize Me"*). All had Film Council support but all attacked powerful corporations who had threatened legal action) We asked the Film Council if it was because we were attacking media corporations, rather than fast food corporations or arms companies, that led them to this decision, and they refused to comment. We asked the Film Council if their decision was in any way connected with the fact that Elizabeth Murdoch sat on the board of the Film Council, and they refused to comment. We asked their decision effectively back News Corporation was anything to do with the strong financial links between The Film Council and 20th Century Fox (through the lottery franchise of DNA Films), given that Fox is owned by Newscorp, and they refused to comment.

112

I went on to publicly criticise the Film Council for taking the side of powerful media corporation rather than a British Independent Film, given that the UKFC was created to support the British Film Industry. I have since been told several times that I will never receive any public money for film again.

113

On Thursday 22nd we received a letter from David Price Associates, who become the 3rd set of lawyers in 4 days to try to remove the NOTW and their journalist from the film. Price was an interesting choice for a NOTW journalist, as they specialise in taking “no win no fee” conditional fee agreements for their clients in media cases, the very same CFAs that the News of the World had repeatedly claimed were having a chilling effect on the freedom of the press. Price’s letter states that *“your clients would be misguided to regard our client as ‘fair game’ simply because she is a News of the World Journalist”*.

114

However in parliament Nuwar’s boss Colin Myler made it clear that their journalists are always representatives of the paper.

“One of the things that I introduced into individual contracts was the understanding that, first of all, an individual on the staff of the paper had to absolutely take accountability for his or her behaviour as an ambassador representing the newspaper.” (DCMS committee on press standards 5th May 2009)

115

Price’s letter threatened us with libel & defamation actions, and urged the film makers to edit out all mention of Nuwar and the NOTW, before the film was released. We told them we would not be removing criticism of News Of The World and their journalist. We explained that we would be making the NOTW statement at the end of the film. We refused to give Price, Nuwar & NOTW advance copies of the film, but we invited them to the press screening the following day (Friday 23rd October). Nuwar and her lawyer from Price Associates attended the screening, and sent us one more brief letter, and nothing was heard from them again. The NOTW section remained uncut.

116

While this was occurring, we also were fighting off similar legal threats Max Clifford. Clifford had fallen out with the News Of The World over their Kerry Katona coverage. I hope that both threatening to sue the same independent film in the same week in some small way brought them closer together.

117

The day before the press screening, on Thursday the 22nd October, we hand delivered a letter to Clifford’s office informing him that he was in the film, he had been filmed on secret camera, explained our public interest reasons for doing so, and attached a full transcript of the scene as it appears in the film. The letter informed Clifford: *“The film will be screened to the press on Friday 23rd October 2009 before appearing in the London Film Festival on 28th/29th October and at a number of London cinemas from 30th October.”*

118

At 8am the following morning on the 23rd October (the day of the press screening) we received a letter by email from Magnus Boyd, partner at Carter Ruck, who had been instructed by Clifford. The letter disputed our case for secretly filming Clifford, and was specifically concerned with any mention of Simon Cowell. It stated that *“what Mr Clifford is paid by Mr Cowell is confidential and governed by the law of confidence... it was clear to you that the information was confidential”* The letter continued: *“The purpose of this letter is to invite your written confirmation by no later than 11am on 23 October that Mr Cowell’s name and the sums he has paid to Mr Clifford will be beeped in such a way as to ensure that your*

viewers cannot deduce this information from the film.... Please may we hear from you by 11am confirmation sought failing which we shall advise our client to apply to the court for relief including but not limited to an injunction."

119

9.30am The LFF press screening started at the Vue cinema in Leicester square, in front of approximately 250 journalists. Thanks to The Guardian coverage the week before, we received an unprecedented number of requests for the press screening. The Max Clifford scene is approximately 1 hour and 20 minutes into the film, so the Clifford undercover footage was shown to a large number of the national and international journalists at approximately 10.50am.

120

At 10.59am Producer Felicity Leabeater emailed a letter back to Magnus Boyd: *"We do not accept that payments made to your client by the people he represents can possibly remain confidential when your client on numerous occasions has been proud to boast about the money he has earned from his clients.... There was no assurance of confidentiality and the secret filming of your client was entirely justified to show the public your client's modus operandi and motives given his public pronouncements about his work and how he manipulates the press and the public image of well known people to juxtapose the carefully managed picture your client seeks to paint of himself."*

121

At 11.15am the Starsuckers press screening ended. At 11.30am Carter Ruck sent a second letter: *"given the very limited time available before the proposed screening we respond with the following brief points..."* This indicates that Carter Ruck were unaware that the press screening has already taken place. They went on: *"By screening the figure that Mr Cowell pays Mr Clifford you will also be breaching the privacy of Mr Cowell .Our client has spoken to Mr Cowell who has confirmed that he does not consent to the release of such information in your film..."* It finished: *"We invite you to urgently reconsider your position and revert to us by no later than 1.45pm today"*

122

On Twitter I announced that Carter Ruck were threatening Starsuckers with an injunction on behalf of Max Clifford. Several journalists called Clifford to ask him for his comment on this, and he denied it. He has since denied it repeatedly in public, including on BBC1 "The Big Questions" despite the threat from Carter Ruck being printed in Private Eye.

123

After the press screening we were contacted by two national television newsdesks who wanted to run a piece on how Clifford was in the film on undercover camera, and how he had threatened to injunct the release. An interview time was arranged. We were then told by both news teams that the segment had been pulled. We were later informed that Clifford had threatened the broadcasters with refusing to appear as a pundit ever again, as well as withholding access to his clients. No other news outlet followed it up. Several journalists from national newspapers told us that it was a great story, but no editor wanted to get on the wrong side of Clifford. It was, however, a small consolation that Clifford had proved our point about him: that he has the power to shut down stories that are in the public interest. Clifford continues appear across the news media as an honest pundit.

124

The film premiered uncut at the London Film Festival on the 28th October and cinemas around the country on the 30th October. The legal actions of Clifford and the NOTW were successful in denting the exposure of the film, as we were so caught up in fighting off their lawyers, that we had little time and resources left to market and promote the film.

125

From the attendance list of the press screenings we could see that film critics from every national newspaper attended press screenings to review the film. Several of the newspapers didn't print reviews, which indicates how independent their film reviewers are: These were:

- The News Of The World
- The People
- The Sunday Mirror
- The Daily Mirror
- The Mail on Sunday
- The Daily Star
- The Daily Star Sunday

126

Other newspapers did review the film which was given broadly positive reviews, and several gave us 4 stars. A collection of the better ones are attached as an annexe. It scored 6/10 in the Gaurdian's review of reviews, (Taking Liberties had scored a 7) and has a 73% Rotten Tomato rating.

127

The reaction of PCC was mixed. I was later told that the entire office came to see the film at the London Film festival. Shortly after the film was released, Alison Hastings from the PCC gave a talk to Journalism MA students at The City University. She gave the opinion that the journalists had been unfairly treated, and was generally disparaging about the film. I also coincidentally bumped into someone who worked for the PCC on a train, who told me she thought the tabloids had been unfairly maligned. When the film was screened in Belfast, I did an interview for the Belfast Telegraph where I criticised the PCC:

128

"The theory is that we have this tough regulator that all the papers are terrified of. The actuality is that newspapers can do what the hell they want, but pretend that they are being regulated. I think it would better to be honest and have zero regulation. You don't tend to have an effective regulator when that regulator is in your pocket. For example, when 25,000 people complained to the PCC about Jan Moir's article about Stephen Gately's death — the chairman of the Editors' Code of Practice Committee of the PCC is Paul Dacre, editor of the Daily Mail, which published the article! It's like Robert Mugabe being judge and jury at a trial of his own war crimes. It's pathetic, no other industry in the world has this situation, and it means the people who suffer are the public. It's like a press lobby group, it's not here to protect the public."

129

Stephen Abel from the PCC wrote a letter back that addressed the points in my interview but not the allegations in the film:

The Code Committee is a completely separate body to the Press Complaints Commission: it writes the rules for the Press and the PCC independently enforces them.

He also says that no other industry in the world has this type of involvement in its own regulation

He is wrong. The very definition of self-regulation means that the industry contributes to, and co-operates with, the regulatory system.

For example, the code for the advertising industry is written by industry figures in the same way as is the code for the newspaper industry.

The PCC takes pride in serving the public and helping them obtain redress when they are wronged by newspapers and magazines. We are staffed by non-journalists and have a majority of public members to guarantee our independence. And we have had a direct and

measurable impact in raising standards in the Press.

It would be a shame if your readers had the wrong impression of us due to Mr Atkins.

130

To our knowledge the PCC did not in any way investigate any of the allegations made by Starsuckers, despite three of the four newspapers we tested seemed willing to breach the PCC code. Nick Owens, the journalist whose behaviour was the most blatantly in breach of the rules, is still writing for The Sunday Mirror. He wrote an article on Chris Jefferies that has since been shown to be highly libellous and defamatory of Jefferies, and The Sunday Mirror had to apologise and pay substantial damages. Were the PCC to have done it's job and investigated the Starsuckers allegations rather than brief against the film, this article might not have been printed.

131

Dozens of Schools and universities approached us requesting the film to be screened, and over 10,000 students have seen the film this way. The response is usually overwhelmingly strong. Common feedback from teachers is that while media studies is very popular (despite the number of jobs available in the media rapidly declining), there is nothing in any syllabuses to explain the harm that the media can have.

132

The True Stories strand on More4 acquired the British TV rights for the film. The film had to through an Ofcom compliance check, which took several months. The film was passed uncut, bar a handful of minor alterations, mainly to disguise the faces of children in the earlier scenes in the film. None of the scenes involving the fake stories or the medical records investigation were changed.

133

The film was scheduled for a screening on More4 in April 2010, and under Ofcom rules we sent a right to reply letter to Bob Geldof two weeks before the transmission. The working day before the screening I received a startling 6000 word letter from Geldof directed at me personally, who also demanded we re edit the film before broadcast or face legal action. I leaked the letter to The Guardian, and it is attached as an annexe. We didn't alter the film subsequent to Geldof's letter, and it was screened for the first time on More4 in April 2010. We have had no response from Geldof, Clifford or any of the tabloids since.

134

It has since been shortlisted for a Grierson Award for most Entertaining Documentary. We were advised not to bother entering it for the British Independent Film Awards, as they were sponsored by The Film Council, and the jury was full of people who worked for the media organisations the film criticised.

135

Shortly after the television screening, I was emailed by several students who had been inspired by our fake celebrity stories. I had published a guide of how to sell a fake news story on the Starsuckers website. These students had seen the film, read the guide, and had started successfully selling their own fake stories to the tabloids to help fund their university careers. The results were later run in an article for The Independent in August 2008.

136

I continue to encourage people to try selling fake stories to the tabloids, in the hope that - the absence of effective press regulation - it will encourage the newdesks to check their facts before running stories.

137

Following the phonehacking story breaking in July 2011, the film was rescreened on More4 and then again on the main Channel 4 in August this year.

Churnalism Project

138

As a small follow up to Starsuckers, I ran a series of hoaxes in February 2011 to help the Media Standards Trust launch it's website churnalism.com. This site is a very powerful tool which allows the public to establish what news articles are sourced from press releases and by what extent. The MST challenged me to send a series of fake press releases into newsrooms in the run up to valentines day in 2011, which I enthusiastically accepted. Our fake press releases were "churned" into news articles in several national newspapers, despite the absurdity of the products they were promoting. The most successful press release was about a fictional product called "The Chastity Garter" which is an item of lingerie that has a microchip to detect if a woman is becoming sexually aroused. It then sends a text message to her husband or boyfriend alerting him to her being unfaithful. This was run up by the Daily Mail and The Daily Star, who both cut and pasted large sections of text from my fake press release without any verification. It then was repeated on dozens of international news outlets and made TV news in the USA. Other national newspapers to fall for the fake press releases included The Sun and The Guardian. A fake facebook group to campaign for the release of the new Downing Street Cat made a prominent slot on BBC Radio 5.

139

The "reveal" piece in The Guardian and accompanying video explains the results:
<http://www.guardian.co.uk/media/2011/feb/23/churnalism-pr-media-trust>

140

Full Fact took the matter up with the PCC and asked why no corrections were printed despite the stories turning out to be false. The reaction says much about self regulation, and newspapers attitude to the PCC code:
http://fullfact.org/blog/churnalism_press_complaints_commission_complaints-2733

Further Comments

141

The letter from the Inquiry also asked me:
"Whether you have any views on the efficacy or otherwise of the current regulatory system, based on your experiences between the press and the broadcast media (a comparative exercise with the Ofcom process he went through would be very useful)"

145

Channel 4 did screen the film in its entirety which deserves huge credit. Their legal and compliance team were extremely robust and worked very hard to maintain the integrity of the film. But it was an unusual case, as we had made the film independently, and fought and won the legal battles on our own. The fact that the film had had public airings and withstood legal challenges, made Channel 4 more comfortable. Were the film to have been a traditional commission, it is likely that the investigations would have been much more cautious, had they been authorised at all.

146

My view is that Ofcom and the PCC are polar opposites as regulators. While PCC sanctions are viewed as a slap on the wrist that can be brushed aside, the reverse is true of Ofcom. Fear of a complaint being upheld have a definite chilling effect on investigative journalism in broadcast current affairs, in particular the BBC. While budgets are plummeting for investigative work in newspapers, the BBC, ITV and Channel Four have protected current affairs budgets and spend millions of pounds a year on investigative documentaries. In my view these investigations are hamstrung by Ofcom regulations, which limits and waters down

stories that are in the public interest. By their very nature investigations have to take risks and very occasionally a television current affairs program will make a mistake. Rather than accepting these risks, a rare successful complaint is used as a stick to beat future investigations, with the result of making the investigations even more risk averse. I would urge the Inquiry that while the PCC needs replacing and a body with tougher statutory powers put in its place, it should not use Ofcom as a model.

Conclusion

147

I believe that Starsuckers shows that there are serious problems at the heart of the British media, in particular the tabloid press. These are problems that the media itself is incapable of investigating or solving, which is why I support stronger regulation of the press that is completely independent of both the press and government.

148

The blame for the collapse in public confidence in the news media cannot be solely apportioned to a criminal network existing within News International, nor the police who took their bribes or the politicians who looked the other way. The responsibility also lies with the wider media whose job it is to expose wrongdoing to the public wherever they find it. The “respectable” news outlets (with the exception of The Guardian) failed utterly in keeping their own house in order. The extreme difficulty we had in getting Starsuckers to an audience, shows how the media is institutionally averse to criticising and investigating itself.

149

The reluctance of all parts of the media to be scrutinised is cloaked by the misleading argument that “The public is not interested in stories about the media”. This was used to prevent Starsuckers, and other projects critical of the media, getting exposure. It was used as a reason by the media at large to take seriously the wrongdoing at the News Of The World. The fact that it was public anger, not media pressure, that eventually made the newspaper fall on its sword, shows the lie to this narrative. In actuality the public were very concerned about newspaper wrongdoing, but were starved of evidence by a supine media establishment that consistently looked the other way, allowing the cancers to grow.

150

I have seen the defences of the tabloids to this Inquiry from the closed ranks of the newspaper establishment. I have heard claims of Paul Dacre, Dominic Mohan, Trevor Kavanagh and others, who are defending, as they have always done, the self regulation of the press. I would ask the Inquiry to compare their performances to those given by Rebekah Brooks, Andy Coulson, Les Hinton and Colin Myler, who sat before Parliament, reassuring the world that phonehacking was the result of a single “rogue reporter”. The arguments from the senior levels of the newspaper industry, then and now, are driven by a naked financial self interest. These newspaper editors and executives have revealed themselves to have no respect for the free press or the public. These are people who, quite simply, lie for money. This is easily evidenced by picking up any one of their newspapers.

151

The public needs protection from the press from a new body, that is independent of the press and Government. The one thing that newspapers genuinely fear is financial penalties. This new body should be able to impose meaningful fines on the press, and be able to make genuine sanctions on those publications that step out of line. Proprietors should not be able to simply opt out of regulation as Richard Desmond has so brazenly done, putting yet another nail in the coffin of the PCC. A new regulator needs to be respected and trusted by the public, self financing from the penalties it can exact, distanced from politicians and feared by editors and journalists. It is only then that we will have an honest and free press that the country can be proud of.

Statement of Truth

I believe that the facts stated in this witness statement are true

DATED the day of November 2011-11-28

SIGNED:
